

GOVERNMENT OF TELANGANA  
ABSTRACT

Sugar Industry - Administrative Sanction of Rs.11.26 Crores (i.e., 3,31,260 MTs X Rs.340/- per MT) under Non-plan as additional funds towards payment of differential cane price as an assistance to sugar cane farmers of the (3) NDSL Units at Bodhan, Nizamabad District, Mombojipalli, Medak District and Metpalli, Karimnagar District for the crushing season 2014-15 - Orders - Issued.

-----  
INDUSTRIES & COMMERCE (IE, SUGAR & IFR) DEPARTMENT

**G.O.MS.No. 18.**

**Dated: 17-03-2015**

Read the following:-

1. From DoS & CC, Telangana State, Hyderabad, Lr.No.C/122/2014, dt.9.1.2015.
2. Govt. Memo.No. 401/IE,SUGAR&IFR/2015, dt. 31.01.2014.
3. From DoS & CC, Telangana State, Hyderabad, Lr.No.C/122/2014, dt.9.2.2015.
4. From DoS & CC, Telangana State, Hyderabad, Lr.No.C/122/2014, dt.5.3.2015.
5. G.O.Rt.No. 778, Finance (EBS.VII) Department, dt. 16.03.2015.

-oOo-

**ORDER:**

In the reference 1<sup>st</sup> read above, the Director of Sugar and Cane Commissioner, Telangana State, Hyderabad has informed that, the Government of India has fixed Fair and Remunerative Price (FRP) for Sugarcane @ Rs.2200/- per MT on 9.5% recovery, subject to a premium of Rs.23.20 per MT for every 1% point increase in recovery above that level for 2014-15 season. The Chief Executive Officer, M/s Nizam Deccan Sugars Limited (NDSL) representing (3) units i.e., Shakkarnagar, Nizamabad District; Metpally, Karimnagar District and Mombojipalle, Medak District has informed that the Government is planning to consider the request of the public representatives from three (3) NDSL Units and of the cane growers made during the meeting held with the Government for extension of differential price for cane supplied during 2014-15 crushing season, in order to pay cane price on par with the neighbouring sugar factories. Further, the Assistant Cane Commissioner, Bodhan has informed that, there mounting pressure from the cane growing community for payment of cane price @ Rs.2600/- per MT on par with the neighbouring sugar factories for 2014-15 crushing season and the cane availability for the seasons 2014-15 from the above three (3) NDSL units is estimated about 3,50,000 MTs.

2) In the reference 4<sup>th</sup> read above, the Director of Sugar and Cane Commissioner has further requested the Government to consider the actual differential cane price amount of Rs.11.26 Crores (i.e., 3,31,260 MTs X Rs.340/- per MT) by extending loan as preferential shares to the NDSL Units for payment of cane price on par with neighbouring sugar factories for 2014-15 crushing season, keeping in view the interest of cane growers, as the NDSL units are paying Rs.2200/- towards FRP and Rs.60/- towards Purchase Tax Incentive making a total of Rs.2260/-, out of the total competitive price of Rs.2600/-. Thus, the differential cane price payable to the cane farmers would be Rs.340/- (Rs.2600 - Rs.2260 = Rs.340/-).

3) In the reference 5<sup>th</sup> read above, the Finance (EBS.VII) Department have issued Budget Release Order for an amount of Rs.11,26,00,000/- under Non-Plan as additional funds in relaxation of Treasury control and quarterly regulation orders pending provision of funds by way of obtaining supplementary grants during the Financial Year 2014-15 towards Assistance to Sugar Cane Farmers for Specific Sugar factories in Telangana State, under the head of account mentioned therein. This amount is released pending its recovery from / adjustment by the concerned NDSL units.

{PTO}

4) Accordingly, the Government hereby accord Administrative Sanction for an amount of Rs. 11,26,00,000/- (Rupees Eleven Crores and Twenty Six Lakhs only) under Non-Plan as additional funds to the Director of Sugar & Cane Commissioner towards payment of deferential cane price as an assistance to sugar cane farmers of the (3) NDSL Units at Bodhan, Nizamabad District, Mombojipalli, Medak District and Metpalli, Karimnagar District for the crushing season 2014-15, in relaxation of Treasury control and quarterly regulation orders pending provision of funds by way of obtaining supplementary grants during the Financial Year 2014-15. This amount is released pending its recovery from / adjustment by the concerned NDSL units, since the sugar factory is in distressed and is in the process of restructuring. This cane price support is not released as an open ended policy.

5) The above expenditure shall be debited to the following head of account as detailed below:-

(Rs. in crores)

Sl. No.	Head Of Account	Total Provision in BE 2014 - 15	Additional amount sanctioned	Amount Released Now	Procedure of drawl of funds
1	2852-08-201-00-09-310--312	-	11.26	11.26	Grants-in-aid Bill
	<b>Grand Total:</b>	<b>-</b>	<b>11.26</b>	<b>11.26</b>	

6) The Director of Sugar and Cane Commissioner, Telangana, Hyderabad is authorized to draw the amount in the procedure specified against the respective head of account and release the amount for the purpose to which sanctioned and submit the Utilization Certificate to the Government. He shall furnish necessary proposals for obtaining supplementary grant during Financial year 2014-15 to cover the actual expenditure incurred.

7) This order issues with the concurrence of Finance (EBS-VII) Department vide their U.O.No. 965/111/EBS-VII/I & C/2015; dt. 16.03.2015 and as per the BRO issued in the reference 5<sup>th</sup> read above.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA]

K. PRADEEP CHANDRA  
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

The Director of Sugar and Cane Commissioner, Telangana, Hyderabad.

The Pay & Accounts Officer, Hyderabad.

The Director of Treasuries & Accounts, Hyderabad.

The Accountant General, A.P. and Telangana, Hyderabad.

The Finance (EBS.VII) Dept.

The Ind. & Com.(L&B) Dept.

Copy to:

The Prl.Secretary to Hon'ble C.M.

The PS to Chief Secretary to Govt.,

PS to Spl.Chief Secretary to Govt., & CIP.

File to C.No.401/IE,Sugar & IFR/2015

Sf./Sc

// FORWARDED :: BY ORDER //

SECTION OFFICER